of Category II Bulk Drugs under DPCO, 1987 was drawn on the basis of the main and supplementary Report of the Kelkar Committee, the copies of which are available in the Parliament Library.

(b) Position shall be ascertained and facts laid on the Table of the House.

Production of Erythromycin from fermentation

2935. SHRI RAJNI RANJAN SAHU: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that M/s. Abbott Labs. refused to implement the letter of intent granted to them for production of Erythromycin from fermentation and if so, the reasons therefor;

(b) whether they were granted approval to product the drug from imported TIOC, if so, the reasons therefor and whether the condition of basic manufacture in a phased manner was not insisted upon; if so, the reasons therefor; and

(c) whether it is a fact that they were granted this approval ignoring the fact that the drug is being produced in the small scale sector by a number of units?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (c) The information is being collected and it will be laid on the Table of the House.

Desline in Profit of drug Companies

2936. SHRI H. HANUMANTHAPPA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Associations of Drug Industry made representation that their profitability is dealing due to existing price control;

(b) if so, the details thereof;

(c) whether Government have made any study of profitability;

(d) if so, names of the companies together with their profitability during last three years, year-wise;

(e) what was the import of raw materials including drugs, intermediates and penultimates and sales turn over of medicine of each of fifteen major multinational drug companies from the commencement of price control order 1987;

(f) whether it is a fact that prices of decontrolled medicines have gone up upto 400 per cent, imports and sales turn by three to four times after the announcement of price control order; and

(g) if so, what are the reasons for decline in profitability based on the study of Form-6 balance sheets?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) Yes Sir, the industry has been complaining generally of declining profitability?

(c) and (g) No separate study of profitability has been conducted except on the basis of data submitted by the companies in Form 6.

(d) Requisite details, to the extent available, are given in the enclosed Statement. (*See below*)

(e) and (f) Company wise imports are not monitored. Time and labour involved in compiling the remaining information would not be commensurate with the results likely to be achived. It is not correct to say that the prices of decontrolled medicines have gone up by 400 per cent.